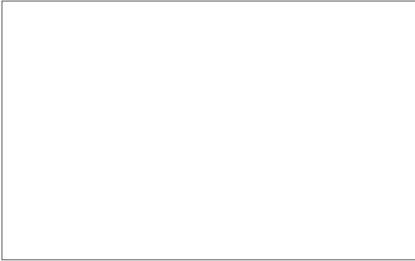


The Director of Central Intelligence

Washington D C 20505

12 October 1983

STAT



Here's the letter I wrote Newsweek. As you see, treatment of the Vesco case annoyed me. It also mentioned a plagiarism suit which came out in my SEC confirmation hearings. In 1952, two typed pages of routine legal analysis were incorporated by an employee in a monthly supplement to a loose-leaf service of a thousand pages which I edited. In my 1971 confirmation hearing as Chairman of the SEC, Senator Tower stated:

"Well, I think it is pretty obvious that the plagiarism, if indeed there was plagiarism, was limited to 2 1/2 pages as admitted. But from the transcript of the case, obviously the judge was of the opinion that the plagiarism had been very limited in nature because the judge said to the plaintiff's attorney, I think you will get a verdict but I will be very much surprised if it is much. Really it wouldn't surprise me if it was \$250."

Sincerely,



William J. Casey

Enclosure

ARTICLE APPEARED
ON PAGE 4NEWSWEEK
17 October 1983

LETTERS

CIA: Casey Responds

I am pleased with the way the article "The Secret Warriors" (NATIONAL AFFAIRS, Oct. 10) conveys the dedication and quality of the people here at the CIA. However, I cannot let stand statements and impressions which are simply not true and which can damage American interests and relationships around the world.

As you know, it is established policy not to comment on intelligence matters so I cannot go into detail. I can only state that I have been provided with a list of some 30 inaccuracies and things that never happened that appeared in your article. One which I can specifically deny because it would be illegal, and CIA does not violate the law, is the allegation that CIA is providing covert aid to the insurgents in Angola.

In a lesser vein, the degree of inaccuracy is illustrated in the statement that I am "traveling at least 50 percent of the time." This is a 700 percent distortion of the truth.

On a personal note, I would have hoped in associating my name with Robert Vesco that you would have acknowledged that it was I, as chairman of the SEC, who acted to stop Vesco's worldwide looting of stockholders' moneys and took unprecedented and successful initiatives to protect the in-

vestors he defrauded. In my confirmation by the Senate Intelligence Committee, Stanley Sporkin, SEC enforcement chief at the time the Vesco case was broken, spelled this out. He stated that I "directly involved [my]self in aggressively pursuing the investigation . . . pressed the staff to complete the investigation and to proceed with the appropriate enforcement action as soon as possible . . . had the foresight to seek the cooperation of other affected governments." He concluded that the Vesco action is "one of the most impressive and important enforcement cases in which the SEC has ever been involved" in which "over 400 million dollars have been recaptured for investors throughout the world."

WILLIAM J. CASEY
The Director of Central Intelligence
Washington, D.C.